

CALIFORNIA ENERGY COMMISSION

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March 3, 2005

04-IEP-1 D
CALIF ENERGY COMMISSION

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Lisa G. Urick
San Diego Gas & Electric Company
555 West Fifth Street, Suite 1400
Los Angeles, CA 90013-1011

RE: APPLICATION FOR DESIGNATION OF CONFIDENTIALITY
Electricity Demand Forecast & Pricing Data, Docket No. 04-IEP-1 D

Ms. Urick:

On February 1, 2005, San Diego Gas & Electric Company (SDG&E) filed Electricity Demand Forecast & Pricing information forms 1.3, 1.4, 1.5, 1.6 and 2.3 with the California Energy Commission (Energy Commission) for use in the 2005 Integrated Energy Policy Report (IEPR) proceeding. As part of that filing, SDG&E is seeking a designation of confidentiality.

Your application for confidentiality (application) states, in part:

SDG&E requests that the forms for which it requests confidential designation herein be kept confidential for at least three years. . . . These forms provide competitively and commercially sensitive business and resource planning information and trade secrets. . . . [t]hese forms contain demand and price forecast information that, even when aggregated on an annual basis, relatively easily allows a party to calculate SDG&E's current energy supply needs on a disaggregated (monthly and hourly) basis. . . . [t]o publicly release this information would allow market participants to have access to competitively sensitive information that would normally not be available to them.

The California Public Records Act allows for non-disclosure of trade secrets. (Gov. Code, § 6254(k), Evid. Code, § 1060.) The California Courts have traditionally used the following definition of trade secret:

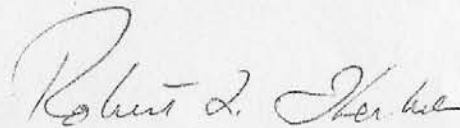
a trade secret may consist of any formula, pattern, device or compilation of information which is used in one's business, and which gives him an opportunity to obtain an advantage over competitors who do not know or use it. . . . (*Uribe v. Howie* (1971) 19 Cal.App.3d 194, 207-208, 96 Cal.Rptr. 493, 500-501, from the Restatement of Torts, vol. 4, sec. 757, comment b, p. 5.)

SDG&E's application of February 1, 2005, makes a reasonable argument under the Energy Commission's regulations for classifying some of the information contained in your application as confidential since it could provide your competitors with a competitive business advantage if made public. (Gov. Code, § 6254 (k); Cal. Code Regs., tit. 20, § 2505.) Information about the sensitivity of SDG&E's demand to temperature variations could provide bidders a competitive advantage. Accordingly, the information contained in form 1.5 and labeled "1-in-5 Temp.," "1-in-10 Temp.," and "1-in-20 Temp." is given confidentiality for three years from the date of this letter. Likewise, information about SDG&E's typical bundled hourly load shape could provide bidders a competitive advantage. While information on historic hourly loads for for entire SDG&E service area is publicly available as FERC Form 714, that historic data is based on all the end-users in the SDG&E service area that make it difficult to derive the forecast load shape for just SDG&E's bundled load. Therefore, the hourly load forecast contained in form 1.6 for the years 2005-2016 is given confidentiality for three years from the date of this letter. The other information contained in forms 1.5, i.e. the average annual growth rates, is deemed public since that information does not meet the criteria of a trade secret.

The coincident peak demand by sector in form 1.3 and the distribution area peak demand in form 1.4 are deemed public and will not be given confidentiality since the annual net peak numbers are insufficient to arrive at hourly net short forecasts—commercially sensitive information. Finally, the electricity and natural gas price forecasts in form 2.3 are deemed public because the retail price information SDG&E supplied earlier in this proceeding has already been determined to be public.

The procedures and criteria for appealing this decision are set forth in the California Code of Regulations, title 20, section 2505. Be advised that an appeal of this decision, to deny your Application, must be filed within fourteen days from my decision. If you have any further questions regarding this decision, please contact Fernando De Leon, Senior Staff Counsel, at (916) 654-4873.

Sincerely,



ROBERT L. THERKELSEN
Executive Director

cc: Docket Unit